



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED: 11.03.2020
CORAM:

THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

W.P. (MD)No.4818 of 2020
and W.M.P. (MD)No.4194 of 2020

M/s.Abinaya Rubber Factory,
Represented by its Proprietor,
Thambithurai,
S/o.Ramasamy,
3-350-(5) Kamarajar Nagar,
Kazhuneerkulam Village,
Alangulam Taluk,
Tirunelveli District.

: Petitioner

Vs.

1.The Managing Director,
Tamil Nadu Industrial Investment Corporation Ltd.,
692, Anna Salai, Nandanam, Chennai-600 035.

2.The Branch Manager,
Tamil Nadu Industrial Investment Corporation Ltd.,
5C/5B, Hotel Sakunthala Shopping Complex,
2nd Floor, Trivandrum Road,
Vannarapettai, Tirunelveli-627 003.

: Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking a Writ of Certiorari, to call for the records relating to the impugned order dated 04.02.2020 made in TIIC/TNY/BO/LAO/2019-20 issued by the second respondent and quash the same.

For Petitioner	: Mr.V.Sasi Kumar
For Respondents	: Mr.C.Lakshmanan for Mr.G.Murugan, Standing Counsel

ORDER

Writ petition filed in nature of certiorari calling for the records of the order dated 04.02.2020 passed by the second respondent/The Branch Manager, Tamil Nadu Industrial Investment Corporation Ltd., Vannarapettai, Tirunelveli and to set aside the same.

2.The petitioner, M/s.Abinaya Rubber Factory is represented in this writ petition by its Proprietor, Thambithurai. The petitioner



had approached the second respondent, The Branch Manager, Tamil Nadu Industrial Investment Corporation Ltd., Vannarapettai, seeking term loan. The second respondent sanctioned loan for a sum of Rs.18.7 Lakhs including subsidy of the Government for a sum of Rs.3.05 Lakhs.

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3.The petitioner had mortgaged the house property of the sole proprietor Thambithurai in survey No.287/5, which is measuring to an extent of 2014 sq.ft. of land and building in Kazhuneerkulam village, Alangulam Taluk, Tirunelveli District. The petitioner had also mortgaged the factory premises bearing survey No.94/5A & 94/6A which is measuring to an extent of 6969.6 sq.ft in Kazhuneerkulam village, Alangulam Taluk, Tirunelveli District.

4.The loan was sanctioned in the year 2013. Thereafter, the petitioner approaches the second respondent for loan facility for running a two-wheeler tube manufacturing unit. The petitioner was not able to avail the benefit of the Government subsidy, due to delay in supply of 3 phase electricity.

5.In the affidavit it had been stated that Rs.11,50,000/- had been paid from 2004 to 2017. The second respondent issued a notice dated 06.11.2019 calling upon the petitioner to clear the entire dues on or before 21.11.2019, failing which, steps will be taken under Section 29 of the Financial Corporation Act. It had been claimed in the impugned proceedings of the second respondent that the property of the petitioner had been brought into the auction on 09.03.2020 between 11.00 a.m., to 1.00 p.m. The writ petition has filed to quash the said notice.

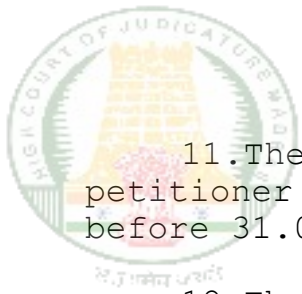
6.This Court had passed an order on 06.03.2020 that the auction may go on, but however, further orders should not be passed without obtaining leave of the Court.

7.Today, i.e., 11.03.2020, counter affidavit has been filed by the second respondent wherein they have stated that notice had been issued by the second respondent to the petitioner stating that the petitioner should pay 20% of the over due amount, which comes Rs.6.40 Lakhs. The second respondent in the counter had contended that the writ petition should be dismissed.

8.On direction of this Court, the petitioner also filed an affidavit wherein it is stated that he is prepared to pay a sum of Rs.8,00,000/- within a period of six weeks from today.

9.Heard the learned counsel on either side.

10.It is stated that the second respondent is under a obligation to recover the over due before the end of the financial year i.e., March 31, 2020.



11.The learned counsel for the respondents stated that the petitioner should be directed to pay a sum of Rs.6.40 lakhs, on or before 31.03.2020.

12.The learned counsel for the petitioner also confirmed the said statement and stated that the petitioner will pay Rs.6.40 Lakhs on or before 31.03.2020 and that the petitioner is ready for one time settlement.

13.The petitioner is therefore, directed to give proposal for one time settlement in writing and at the same time undertake to pay necessary process fee. The Head Office, Chennai alone can decided about the one time settlement. If the petitioner and the respondent give any application with reference to the one time settlement for the payment of Rs.6.40 lakhs, the same can be taken as an initial payment towards the one time settlement loan.

14.In view of the above, the petitioner is directed to pay a sum of Rs.6.40 lakhs on or before 31.03.2020 to the second respondent, directly and also submit a proposal for one time settlement to the second respondent and the second respondent may forward the same to the first respondent for further action. The petitioner may also pay process charges for one time settlement.

15.In view of the above order, the proposal of auction may be deferred by the respondents.

16.With the above observations, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petition is closed.

Sd/-

Assistant Registrar (CS-II)

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/ /2020

Sub Assistant Registrar(CS)

Gns

+1 CC to Mr.G.MURUGGAN, Advocate (SR-11227[F] dated 12/03/2020)

+1 CC to Mr.V.SASIKUMAR, Advocate (SR-11431[F] dated 12/03/2020)

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